WHCT 18 HARTFORD NEW HAVEN

May 29, 1986

Mr. Fred Boling, Jr.
Astroline
231 John Street
Reading, MA 01867

RE: Payables

Dear Fred,

Attached is a memorandum from Al Rozanski detailing the revised approach to payables. To summarize: We will hold and age payables here and only send up transmittals requiring quick action. We will separate all salary and personal reimbursements as well to ensure that no employee is unduly delayed a reimbursement.

Thank you for your help in working this out.

Sincerely,

Richard P. Ramirez
General Manager

RPR/pzl

cc: Herb Sostek

Enclosure

July 21, 1988

Fred Boling
President
Astroline Corp.
95 Walkers Brook Dr.
Reading, MA 01867

Fred:

I have prepare the following summary of transmittal items necessary for your attention.

Transmittal # 366B (quite old)	Micro Communications supplies of critical nature	$ 3,782.32
Transmittal # 412	Purolator Courier (remaining)	$ 28.75
Transmittal # 416	Emery & Federal Express	$ 2,961.96
Transmittal # 417	Insurance, utilities, building maintenance, shipping (First Air, Purolator)	$ 28,111.82
Transmittal # 418	UPS, Xerox, shipping	$ 1,269.00
Transmittal # 419	Town of Hartford, Avon Taxes (let's discuss)	$ 96,431.93
Transmittal # 414	Travelers Ins., ADP, Airborne Express, U.S. Leasing	$ 8,038.31
Transmittal # 420	Buffalo Sabres, Hughes TV (Sports Production), ITS, MCA*	$ 92,268.26
Transmittal # 421	Advertising & Production related (very important)	$ 30,303.05
Transmittal # 422	Personal - RPR	$ 7,335.07

Transmittal # 423	Advertising/Promotion (must have by 7/25)	$ 35,235.48

Mark Kaplowe	$ 900.00
WHCN	$ 4,284.00
WAVZ	$ 1,224.00
WDRC	$ 4,245.75
WERI	$ 204.00
WKSS	$ 1,683.00
WPLR	$ 535.50
WSYB	$ 688.50
All Courant	$ 15,410.93
TOTAL	**$ 29,175.68**

Transmittal # 424	Printing, office supplies, engineering supplies	$ 8,589.08
Transmittal # 425*	Programming, sports production, engineering supplies	$101,287.73

HAVE TO HAVE

Sportsticker	$ 850.00
TV38 WSBK	$ 5,040.00
Olympia Arena	$ 5,400.00
SportsChannel	$ 32,067.14
Lake	$ 1,715.68
(included in TOTAL)	**$ 45,072.82**

Transmittal # 426	Advertising, engineering	$ 49,470.16

MUST HAVE ITEMS

Waterbury Republican	$ 3,904.00
Traffic Net (2 or 3)	$ 18,000.00
Chyron	$ 1,677.23
NAB	$ 1,090.00
TOTAL	**$ 24,671.23**

The total excluding tax bills: **$203,234.47**

All transmittals up to # 422 are already there (Astroline). #'s 423, 424, 425 are going out tonight, July 21, 1988.

Rich

Partner's Share of Income, Credits, Deductions, etc.

For calendar year 1987 or fiscal year beginning ______, 1987, and ending ______, 19 __

OMB No. 1545-0099

1987

...of the Treasury ...Revenue Service

...er's identifying number ▶ 04-2754875

Partnership's identifying number ▶ 04-2835780

...ner's name, address, and ZIP code
ASTROLINE COMPANY
231 JOHN STREET
READING, MA 01867

Partnership's name, address, and Zip code
ASTROLINE COMMUNICATIONS COMPANY
LIMITED PARTNERSHIP
18 GARDEN STREET
HARTFORD, CT 06105

A(1) Is partner a general partner? ☐ Yes ☒ No
If "yes" to Question A(1):
(2) Did this partner materially participate in the trade or business activity(ies) of the partnership? (See page 12 of the Form 1065 Instructions. Leave blank if no trade or business activities.) ☐ Yes ☐ No
(3) Did this partner actively participate in the rental real estate activity(ies) of the partnership? (See page 13 of the Form 1065 Instructions. Leave blank if no rental real estate activities.) ☐ Yes ☐ No

B ...ner's share of liabilities
...recourse $ ______
Other $ ______

C What type of entity is this partner? ▶ PARTNERSHIP

D Enter partner's percentage of: (i) Before decrease or termination / (ii) End of year
Profit sharing ______ % 82.0286 %
Loss sharing ______ % 82.0286 %
Ownership of capital ______ % 82.0286 %

E IRS Center where partnership filed return ▶ ANDOVER, MA
F Tax Shelter Registration Number ▶ ______
G(1) Did the partner's ownership interest in the partnership increase after Oct. 22, 1986? ☐ Yes ☐ No
If yes, attach statement (See page 13 of the Form 1065 Instructions.)
(2) Did the partnership start or acquire a new activity after Oct. 22, 1986? ☐ Yes ☐ No
If yes, attach statement. (See page 14 of the Form 1065 Instructions.)
H Check here ▶ ☐ if this Schedule K-1 is for a short tax year required by section 706(b).

I Reconciliation of partner's capital account

(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Income (loss) from lines 1, 2, 3, & 4 below	(d) Income not included in column (c), plus nontaxable income	(e) Losses not included in column (c), plus unallowable deductions	(f) Withdrawals and distributions	(g) Capital account at end of year
3,955,357	5,996,584	-5,622,415		1,867,824	4,000,000	-1,538,298

Caution: Refer to attached Partner's Instructions for Schedule K-1 (Form 1065) before entering information from this schedule on your tax return.

	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on:
Income (Loss)	1 Ordinary income (loss) from trade or business activity(ies)	-5,622,415	(See Partner's Instructions for Schedule K-1 (Form 1065))
	2 Income or loss from rental real estate activity(ies)		
	3 Income or loss from other rental activity(ies)		
	4 Portfolio income (loss):		
	a Interest		Sch. B, Part I, line 2
	b Dividends		Sch. B, Part II, line 4
	c Royalties		Sch. E, Part I, line 5
	d Net short-term capital gain (loss)		Sch. D, line 5, col. (f) or (g)
	e Net long-term capital gain (loss)		Sch. D, line 12, col. (f) or (g)
	f Other portfolio income (loss) (attach sch.)		(Enter on applicable lines of your return)
	5 Guaranteed payments		(See Partner's Instructions for Schedule K-1 (Form 1065))
	6 Net gain (loss) under section 1231 (other than due to casualty or theft)		
	7 Other (attach schedule)		(Enter on applicable lines of your return)
Deductions	8 Charitable contributions		See Form 1040 Instructions
	9 Expense deduction for recovery property (section 179)		(See Partner's Instructions for Schedule K-1 (Form 1065))
	10 Deductions related to portfolio income		
	11 Other (attach schedule)		
Credits	12a Credit for income tax withheld		See Form 1040 Instructions
	b Low-income housing credit		Form 8586, line 8
	c Qualified rehabilitation expenditures related to rental real estate activity(ies) (attach schedule)		(See Partner's Instructions for Schedule K-1 (Form 1065))
	d Credit(s) related to rental real estate activity(ies) other than 12b and 12c (attach schedule)		
	e Credit(s) related to rental activity(ies) other than 12b, 12c, and 12d (attach schedule)		
	13 Other credits (attach schedule)		

K-1 (1065) ...ent of the Treasury ...al Revenue Service

Partner's Share of Income, Credits, Deductions, etc.

For calendar year 1987 or fiscal year beginning ______________, 1987, and ending ______________, 19 __

OMB No. 1545-0099

1987

Partner's identifying number ▶ 108-48-3484

Partner's name, address, and ZIP code
RICHARD P. RAMIREZ

C/O ASTROLINE COMMUNICATIONS CO.
LIMITED PARTNERSHIP
18 GARDEN ST HARTFORD, CT 06105

Partnership's identifying number ▶ 04-2835780

Partnership's name, address, and Zip code
ASTROLINE COMMUNICATIONS COMPANY
LIMITED PARTNERSHIP
18 GARDEN STREET

HARTFORD, CT 06105

A(1) Is partner a general partner? ☒ Yes ☐ No
If "yes" to Question A(1):
(2) Did this partner materially participate in the trade or business activity(ies) of the partnership? (See page 12 of the Form 1065 Instructions. Leave blank if no trade or business activities.) ☒ Yes ☐ No
(3) Did this partner actively participate in the rental real estate activity(ies) of the partnership? (See page 13 of the Form 1065 Instructions. Leave blank if no rental real estate activities.) ☐ Yes ☐ No
B Partner's share of liabilities
Nonrecourse $ __________
...r $ 15,532,225
C What type of entity is this partner? ▶ INDIVIDUAL

D Enter partner's percentage of: (i) Before decrease or termination / (ii) End of year
Profit sharing ______ % 0.7778
Loss sharing ______ % 0.7778
Ownership of capital ______ % 0.7778
E IRS Center where partnership filed return ▶ ANDOVER, MA
F Tax Shelter Registration Number ▶ __________
G(1) Did the partner's ownership interest in the partnership increase after Oct. 22, 1986? ☐ Yes ☐ No
If yes, attach statement (See page 13 of the Form 1065 Instructions.)
(2) Did the partnership start or acquire a new activity after Oct. 22, 1986? ☐ Yes ☐ No
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(a) Capital account at beginning of year	(b) Capital contributed during year	(c) Income (loss) from lines 1, 2, 3, & 4 below	(d) Income not included in column (c), plus nontaxable income	(e) Losses not included in column (c), plus unallowable deductions	(f) Withdrawals and distributions	(g) Capital account at end of year
-142,804		-53,311		17,710		-213,82

Caution: Refer to attached Partner's Instructions for Schedule K-1 (Form 1065) before entering information from this schedule on your tax return.

	(a) Distributive share item	(b) Amount	(c) 1040 filers enter the amount in column (b) on
Income (Loss)	1 Ordinary income (loss) from trade or business activity(ies)	-53,311	(See Partner's Instructions for Schedule K-1 (Form 1065))
	2 Income or loss from rental real estate activity(ies)		
	3 Income or loss from other rental activity(ies)		
	4 Portfolio income (loss):		
	a Interest		Sch. B, Part I, line 2
	b Dividends		Sch. B, Part II, line 4
	c Royalties		Sch. E, Part I, line 5
	d Net short-term capital gain (loss)		Sch. D, line 5, col. (f) or (g)
	e Net long-term capital gain (loss)		Sch. D, line 12, col. (f) or (g)
	f Other portfolio income (loss) (attach sch.)		(Enter on applicable lines of your return)
	5 Guaranteed payments		(See Partner's Instructions for Schedule K-1 (Form 1065))
	6 Net gain (loss) under section 1231 (other than due to casualty or theft)		
	7 Other (attach schedule)		(Enter on applicable lines of your return)
Deductions	8 Charitable contributions		See Form 1040 Instructions
	9 Expense deduction for recovery property (section 179)		(See Partner's Instructions for Schedule K-1 (Form 1065))
	10 Deductions related to portfolio income		
	11 Other (attach schedule)		
Credits	12a Credit for income tax withheld		See Form 1040 Instructions
	b Low-income housing credit		Form 8586, line 8
	c Qualified rehabilitation expenditures related to rental real estate activity(ies) (attach schedule)		(See Partner's Instructions for Schedule K-1 (Form 1065))
	d Credit(s) related to rental real estate activity(ies) other than 12b and 12c (attach schedule)		
	e Credit(s) related to rental activity(ies) other than 12b, 12c, and 12d (attach schedule)		
	13 Other credits (attach schedule)		

EXHIBIT
#61
1/6/89 KW

DATE	INVOICE	AMOUNT

5-2/110

Astroline Communications Co., Ltd Partnership
231 JOHN STREET
READING, MA 01867

2107

$3,968.50¢
DOLLARS

CK NO.	TO THE ORDER OF	DATE	DESCRIPTION	CHECK AMOUNT
07	Thelen, Marrin, Johnson + Bridges	6/8/88	480-607	3968.50

State Street

⑈002107⑈ ⑆011000028⑆ 0244 024 6⑈

EXHIBIT
#65
1/6/89 KW

T:m please issue two checks in the following amounts:

(1) Media Access Project $20,000
(for legal fees [illegible]
[illegible] project)

(2) B[illegible] & F[illegible]
(for various consulting legal services
in matters at the Federal Comm. Commission)

Thank-you

[illegible signature]

ASTROLINE COMMUNICATIONS CO.	167
	2/18 1985 53-303/113
Pay to the order of Media Acess Project	$ 20,000 xx
Twenty thousand dollars & xx	Dollars
SECURITY NATIONAL BANK LYNN, MASSACHUSETTS	SECURITY FUND
Memo	Herbert A. Sostek
⑆011303932⑆ ⑈30 29654⑈	60

[illegible] MAP

BAKER & HOSTETLER

COUNSELLORS AT LAW

WASHINGTON SQUARE, SUITE 1100

1050 CONNECTICUT AVE., N.W.

WASHINGTON, D.C. 20036

(202) 861-1500

TELECOPIER: (202) 466-2387

TELECOPIER: (202) 466-2318

TELEX (650) 236-7876

IN CLEVELAND, OHIO
1000 NATIONAL CITY CENTER
CLEVELAND, OHIO 44114
(216) 621-0200
TWX (810) 421 8375

IN COLUMBUS, OHIO
65 EAST STATE STREET
COLUMBUS, OHIO 43215
(614) 228-1541

IN MARYLAND
5000 SUNNYSIDE AVE., SUITE 301
BELTSVILLE, MARYLAND 20705
(301) 837-4111

IN DENVER, COLORADO
303 EAST 17TH AVE., SUITE 1100
DENVER, COLORADO 80203
(303) 861-0600

IN ORLANDO, FLORIDA
800 SOUTH ORANGE AVE., SUITE 2300
ORLANDO, FLORIDA 32801
(407) 841-1111

IN VIRGINIA
437 NORTH LEE STREET
ALEXANDRIA, VIRGINIA 22314
(703) 549-1294

WRITER'S DIRECT DIAL NO.:

November 10, 1988

PLAINTIFF'S EXHIBIT 87 12-17-90 SW

MEMORANDUM

TO: Astroline Communications Company Limited Partnership

FROM: Baker & Hostetler

RE: Restructuring Considerations

Astroline Communications Company Limited Partnership, licensee of Station WHCT-TV, Hartford, Connecticut, will be filing an application for renewal of its license on December 1, 1988. Competing applications will be accepted by the Commission up until March 1, 1989. Ordinarily, licensees are entitled to a very high expectation that their licenses will be renewed (a "renewal expectancy"). This renewal expectancy is awarded as long as the licensee in question establishes that it has satisfied its obligation to serve the public interest as a trustee of the public airwaves. As you are aware, however, last year the United States Court of Appeals stated:

> If the FCC should initiate a comparative renewal proceeding concerning this license prior to resolution of the matters in MM Docket No. 86-484, in light of the representation made to this Court at the time appellant sought a stay of the FCC's order, the FCC shall conduct such proceedings without according intervenor Astroline Communications Company Limited Partnership any competitive advantage that would ordinarily accompany incumbency.

What up? by when?

Accordingly, we think it is essential that any restructuring of Astroline which is to occur must take into account the very real possibility that Astroline will not be entitled to a renewal expectancy.

Without a renewal expectancy, in a hearing proceeding, the FCC will resolve the case based upon the standard comparative issue, and will thereby base its decision predominantly on two factors: (1) the extent to which each applicant's voting principals are integrated in managerial roles at the station ("integration"), and (2) the extent to which each applicant's voting principals have an interest in other broadcast media ("diversification"). The desired goal is to receive 100% quantitative integration credit and preference, with no diversification demerit. "Enhancement" of an applicant's quantitative integration credit is awarded for integrated voting owners' female gender, minority group status, past broadcast experience, local or area residency, etc. ("qualitative enhancements").

The extent to which non-voting, passive individuals may be owners of the applicant ordinarily does not affect the determination of the percentage of quantitative integration credit the applicant should receive. It does affect the analysis, however, in cases where it has been demonstrated that the non-voting participants (e.g., limited partners or non-voting stockholders) are not "passive," and are actually in a position to control or materially influence the licensee on matters pertaining to the day-to-day affairs of the station. In the case of a limited partnership, in order to properly prevent limited partners from being able to control or influence the general partners, the FCC now requires that limited partnership agreements contain provisions (1) specifying that an exempt limited partner (or its "constituent parts") cannot become "materially involved" in the management or operations of the media business of the partnership, and cannot act as an employee of the limited partnership if his or her functions relate, directly or indirectly, to the media enterprises of the company; (2) barring an exempt limited partner from serving, in any material capacity, as an independent contractor or agent with respect to the partnership's media enterprises; (3) restricting the limited partners from communicating with the licensee or general partner on matters pertaining to the day-to-day operations of its business; (4) empowering the general partner to veto the admission of new general partners; (5) barring the limited partner from voting on the removal of a general partner except in cases where the general partner is subject to bankruptcy proceedings, is adjudicated incompetent, or is found by an independent party to have engaged in malfeasance, criminal conduct or wanton or willful neglect; and

(6) barring a limited partner from performing any services to the partnership materially relating to its media activities. Failure to include these provisions results in an award of less than 100% integration credit.

In a structure such as was initially proposed for Astroline, Astroline would be unable to include the required provisions. In the event individuals were named as limited partners, they would have to be barred from becoming materially involved in Astroline's affairs, yet because, as proposed, they would be involved as principals of one of the three general partners, they would be obligated to be "materially involved," and therefore would be placed in the position of being in immediate violation of the limited partnership agreement. Similarly, if limited partners are also principals of one of the general partners, it would be impossible for those individuals to abide by the provision barring limited partners from communicating with general partners. Based upon Commission precedent, Astroline may very likely have been entitled only to quantitative integration credit commensurate with its general partners' equity ownership -- namely, only 30 percent.

A Commission Review Board case released last week provides a good illustration of the result Astroline may face. In Stanley Group Broadcasting, FCC 88R-56 (Rev. Bd. 1988), an applicant (Aztec Broadcasting Corp.) was composed of three voting stockholders (51%, 47% and 2%), and its 51% and 47% voting stockholders stated their intentions to work at the station full-time in managerial roles. Aztec therefore claimed entitlement to 98% quantitative integration credit. The Review Board rejected that proposition. The 2% stockholder was also a 40.4% non-voting stockholder, and was an officer and director of the organization, and was obviously more than merely a "passive" investor. As an officer and director, that individual had a power similar to that of a general partner to bind the organization. The Review Board refused to ignore the equity interest of the non-voting stockholder, and reduced Aztec's integration credit to at least 60%.

All of the foregoing is to stress the importance of maintaining a strict separation between limited partners and general partners. General partners should be in complete control of the organization, and limited partners must be passive, non-voting equity holders. No partners should hold dual roles as limited and general partners. If you do so, you will run the risk that a competing applicant will prevail over Astroline for the right to operate on Channel 18 in the future.

If you have any questions regarding this matter, please feel free to contact either Dan Alpert or Linda Bocchi.

ATTACHMENT D

OCT 2 9 1992

OCT 30 10 47 AM '92 FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: **KCBI** AUDIO SERVICES
DIVISION

Please amend the application by Two If By Sea Broadcasting Corporation to acquire Station KCBI from Criswell Center for Biblical Studies by including the attached statements.

Date: 10/28/92

President
Two If By Sea Broadcasting
Corporation

Re: <u>Two If By Sea Broadcasting Corporation</u>

Two If By Sea Broadcasting Corporation ("Two If By Sea") has applied for authority to acquire Station KCBI from Criswell Center for Biblical Studies. As part of that application, Two If By Sea listed applications in which its officers, directors and principals had held interests and which were dismissed at the request of the applicant. This will confirm that no character issues had been added or requested against those applicants when those applications were dismissed.

Dated: Oct. 27, 1992 By: ______________________

President
Two if By Sea Broadcasting Corporation

CERTIFICATE OF SERVICE

I hereby certify that, on this 26th day of January, 1994, I caused copies of the foregoing "Reply of Shurberg Broadcasting of Hartford to 'Response to Petition to Dismiss or Deny Applications for Renewal and Assignment of License of Station WHCT-TV, and Petition for Immediate Grant of Application of Shurberg Broadcasting of Hartford'" to be placed in the U.S. mail, first class postage prepaid, or hand delivered (as indicated below), addressed to the following:

Chairman Reed E. Hundt
Federal Communications Commission
1919 M Street, N.W. - Room 814
Washington, D.C. 20554
(BY HAND)

Commissioner James H. Quello
Federal Communications Commission
1919 M Street, N.W. - Room 802
Washington, D.C. 20554
(BY HAND)

Commissioner Andrew C. Barrett
Federal Communications Commission
1919 M Street, N.W. - Room 844
Washington, D.C. 20554
(BY HAND)

Commissioner Ervin S. Duggan
Federal Communications Commission
1919 M Street, N.W. - Room 832
Washington, D.C. 20554
(BY HAND)

Roy J. Stewart, Chief
Mass Media Bureau
Federal Communications Commission
1919 M Street, N.W. - Room 314
Washington, D.C. 20554
(BY HAND)

Barbara A. Kreisman, Chief
Video Services Division
Mass Media Bureau
Federal Communications Commission
1919 M Street, N.W. - Room 702
Washington, D.C. 20554
(BY HAND)

Clay Pendarvis, Chief
Television Branch, Video Services Division
Mass Media Bureau
Federal Communications Commission
1919 M Street, N.W. - Room 700
Washington, D.C. 20554
(BY HAND)

Martin Hoffman, Esquire
50 Columbus Boulevard
Hartford, Connecticut 06106
Trustee-in-Bankruptcy for Astroline Communications Company Limited Partnership

Michael Parker, President
Two If By Sea Broadcasting Corp.
22720 S.E. 410th Street
Enumclaw, Washington 89022

/s/ Harry F. Cole
Harry F. Cole